

**WORKFORCE DEVELOPMENT BOARD AND WORKFORCE
DEVELOPMENT CENTER ADMINISTRATION DIVISION[877]**

Adopted and Filed Emergency After Notice

Rulemaking related to Iowa office of apprenticeship

The Workforce Development Board and Workforce Development Center Administration Division hereby adopts new Chapter 29, “Iowa Office of Apprenticeship,” Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in 2023 Iowa Acts, Senate File 318.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 84D as enacted by 2023 Iowa Acts, Senate File 318.

Purpose and Summary

This new chapter establishes rules and procedures for implementation and administration of the new Iowa Office of Apprenticeship pursuant to 2023 Iowa Acts, Senate File 318.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on July 26, 2023, as **ARC 7052C**.

29 CFR 29.13 requires the State of Iowa to have a state law and plan that conforms with 29 CFR Parts 29 and 30 in order for the Iowa Office of Apprenticeship to be approved as a state apprenticeship agency (SAA). Iowa Workforce Development (IWD) has been working closely with the U.S. Department of Labor (USDOL) to ensure the State has the appropriate state code and administrative rules in place for the SAA to meet the 29 CFR 29.13 requirement. The adopted rules establish an SAA in conformity with 29 CFR Part 29. The adopted rules, Iowa Code chapter 84D, and the state plan will be submitted to USDOL for final approval before Iowa will be able to implement 2023 Iowa Acts, Senate File 318, and become an SAA state.

During the Administrative Rules Review Committee (ARRC) meeting held August 15, 2023, there was discussion regarding the definition of “supervision” in the proposed rules as it relates to the definition provided in Senate File 318. To address this concern, IWD has removed the definitions found in proposed rule 877—29.2(90GA,SF318). This also negates the need to discuss any other public comments related to the definition of “supervision.”

IWD also received public comments regarding the transition process for programs already registered with USDOL. As IWD has previously stated, pursuant to the definition of “apprenticeship program” in Iowa Code section 84D.2(4) as enacted by 2023 Iowa Acts, Senate File 318, registered apprenticeship programs currently registered with USDOL will not be required to reregister once the Iowa Office of Apprenticeship is approved as an SAA. All programs will be transitioned from the USDOL Office of Apprenticeship to the Iowa Office of Apprenticeship. The Iowa Office of Apprenticeship may provide registered apprenticeship programs with the option to continue to receive technical assistance from USDOL.

The opening of the SAA will require approval of the state plan by USDOL, which will be submitted after the publication of this rulemaking.

One other change from the Notice was made to remove the term “definitions” from rule 877—29.1(90GA,SF318).

Reason for Waiver of Normal Effective Date

Pursuant to Iowa Code section 17A.5(2)“b”(1)(a), the Department finds that the normal effective date of this rulemaking, 35 days after publication, should be waived and the rulemaking made effective on September 8, 2023, because 2023 Iowa Acts, Senate File 318, was effective upon enactment and authorizes this emergency rulemaking.

Adoption of Rulemaking

This rulemaking was adopted by the Workforce Development Board and Workforce Development Center Administration Division on September 8, 2023.

Fiscal Impact

2023 Iowa Acts, Senate File 318, was signed into law on May 10, 2023, establishing new Iowa Code chapter 84D. There is no immediate fiscal impact of creation and implementation of these rules; however, the Iowa Office of Apprenticeship will have costs associated with it over the next five years in terms of personnel and implementation costs. No estimate is available at this time because IWD continues to coordinate with the existing Office of Apprenticeship and USDOL to determine scope of responsibility and timing of transition of the program. IWD does not anticipate any additional fiscal impact in the current fiscal year and anticipates that there will be a request for a general appropriation in future legislative sessions as IWD is better able to determine the amount of staff and resources necessary to fully implement this program.

Jobs Impact

This chapter is authorized by 2023 Iowa Acts, Senate File 318, which establishes the Iowa Office of Apprenticeship in Iowa Code chapter 84D. The chapter is required to supplement Senate File 318 and bring the state law establishing an SAA into conformity with USDOL requirements pursuant to 29 CFR 29.13. The chapter, in conjunction with Senate File 318, creates career pathways for all Iowans, including adults and minorities. The chapter, in conjunction with Senate File 318, will have a positive impact on private sector jobs and employment opportunities in Iowa by increasing training pathways into a wide variety of industries and occupations. Iowa led the country in creating registered apprenticeship programs in 2022, and the SAA program, implemented through these rules, will make it easier for employers and high schools to provide this valuable training pathway to more Iowans.

Iowa wants to foster and grow registered apprenticeship and work-based learning programs throughout the state. As a system, IWD wants to continue to foster the quality programs that have already been created in construction trades and other occupations to help grow registered apprenticeship programs in all industries. IWD has had federal grants that have assisted in growing registered apprenticeship programs in the following high-demand areas: health care, agriculture, advanced manufacturing, construction trades and education. With these rules, IWD and the Iowa Office of Apprenticeship will work with all industries to support the creation of high-quality registered apprenticeship and work-based learning opportunities for Iowans. In a registered apprenticeship, employers create a program that contains related training instruction and on-the-job learning. Cost can vary from in-house education programs to community college courses for related training, on-the-job wages and mentor wages. There is no other relevant analysis.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the IWD for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking became effective on September 8, 2023.

The following rulemaking action is adopted:

ITEM 1. Adopt the following **new** 877—Chapter 29:

CHAPTER 29
IOWA OFFICE OF APPRENTICESHIP

877—29.1(90GA,SF318) Purpose. The purpose of this chapter is to bring identified terms and language in 2023 Iowa Acts, Senate File 318, into conformity with federal requirements, necessary for the approval of the Iowa office of apprenticeship law by the United States Department of Labor Office of Apprenticeship in accordance with 29 CFR 29.13(a)(1).

877—29.2(90GA,SF318) Code of Federal Regulations reference. All references to the Code of Federal Regulations (CFR) in this chapter are as amended to September 8, 2023.

877—29.3(90GA,SF318) Duties of office. The Iowa office of apprenticeship shall establish time-based, competency-based and hybrid apprenticeship frameworks based on the regional and statewide collection of valuable credentials.

29.3(1) The Iowa office of apprenticeship shall establish the following standards and processes in conformance with 29 CFR Part 29:

- a. Program performance standards in conformance with 29 CFR 29.6.
- b. Process for deregistration of registered apprenticeship programs in conformance with 29 CFR 29.8.
- c. Process for the reinstatement of a registered apprenticeship program that was previously deregistered under 29 CFR 29.8 in conformance with 29 CFR 29.9.
- d. Appeal process for registered apprenticeship programs that have been deregistered in conformance with 29 CFR 29.10.

29.3(2) Neither the provisions of 2023 Iowa Acts, Senate File 318; federal law; or the apprenticeship agreement will invalidate any provision in any collective bargaining agreement between employers and employees establishing higher apprenticeship standards.

29.3(3) Neither the provisions of 2023 Iowa Acts, Senate File 318; federal law; nor the apprenticeship agreement will invalidate any special provision for veterans, minority persons, or women in the standards, apprenticeship qualifications or operation of the program which is not prohibited by state or federal law.

29.3(4) The Iowa office of apprenticeship will establish a process for complaints in conformance with 29 CFR 29.12.

877—29.4(90GA,SF318) Requirements for sponsors and employers. Sponsors and employers are responsible for the following:

1. Ensuring the program conforms to 29 CFR Part 29 standards of apprenticeship.
2. Ensuring the program complies with 29 CFR Part 30 equal employment opportunity in apprenticeship.

3. Ensuring the program complies with the Iowa Office of Apprenticeship Standards and Regulations document approved by the United States Department of Labor.

4. Ensuring the program complies with 2023 Iowa Acts, Senate File 318.

877—29.5(90GA,SF318) Approval of apprenticeship program. All registered apprenticeship programs eligible for approval by the Iowa office of apprenticeship must comply with 29 CFR Parts 29 and 30; 2023 Iowa Acts, Senate File 318; the state plan approved by the United States Department of Labor Office of Apprenticeship; and the administrative rules.

These rules are intended to implement Iowa Code chapter 84D as enacted by 2023 Iowa Acts, Senate File 318.

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